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24 August 1982

LATIN AMERICA REPORT

No. 2560

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JAMAICA

In JPRS 81537 of 13 August 1982, No 2555 of this series, in the article entitled "CDP-CPP Alliance Issues Policy Position," an editorial note expanding the terms CDP and CPP was omitted. The expansions are : CDP--Christian Democratic Party, operating in Surrey and Middlesex; CPP--Cornwall People's Party, operating in Cornwall only.

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ORFILA OPPOSES U.S. EXCLUSION

PA070101 Buenos Aires LATIN in Spanish 2111 GMT 6 Aug 82

[Text] Bogota, 6 Aug (LATIN-REUTER)--OAS Secretary General Alejandro Orfila said in Bogota today that it would be a mistake to believe that that inter-American organization could function without the United States.

Orfila said at a press conference that he does not believe that the move by some countries to create an OAS without the United States, as a result of the U.S. attitude during the conflict between Argentina and Great Britain over the Malvinas Islands, will be successful.

"The OAS is an excellent instrument for Latin American participation in a dialogue with a world power, and works to benefit its member-nations," he argued.

Orfila said that no one can say that the OAS is ineffective, though the actions of some of its member-nations have been ineffective. He added, however, that "the OAS is a necessary organization for Latin America. We should try to make it more dynamic rather than considering the exclusion of the United States, which only demonstrates an inexplicable lack of international insight."

In another part of his discussion with the reporters, Alejandro Orfila said that the OAS has not yet discussed the issue of Cuba's eventual return to the organization.

He noted that the OAS is composed of 31 countries, all of which are active members.

"The OAS brings together the actions of the governments that comprise it in solving common problems," he added.

On the Central American situation, Orfila admitted that the issue is very difficult. "We must find national solutions, without permitting interference by foreign ideologies."

As for the recent conflict over the Malvinas Islands, he declared: "The conflict offers a valuable lesson to Latin America in the military, political, social and economic sense. It is an experience that will prompt Latin America to make a mental reassessment and that can teach us to determine what we are and to define what we want."

ARGENTINE-CHILEAN OFFICIALS ON TRADE PROSPECTS

PY102223 Buenos Aires Domestic Service in Spanish 1600 GMT 10 Aug 82

[Text] A Chilean delegation which participated in a seminar held last weekend to analyze trade between Chile and Argentina, left for Chile today.

The meeting called the Cuyo Region Encounter, was organized by the Mendoza Stock Exchange and by the Bank of Boston under the auspices of the Latin American Integration Association [LAIA]. The meeting was also attended by LAIA's secretary general Julio Cesar Schupp.

The Chilean delegation was led by Sergio Onofre Jarpa Reyes, the Argentine ambassador to Chile; Patricio Lopez, the bilateral economic director; and by Miguel Moya, the director of Prochile [Institute for Export Promotion].

The Argentine delegation was led by Patricio Palmero, the director of the Mendoza Stock Exchange.

The meeting was attended by over 500 businessmen from Mendoza, San Luis and San Juan. The next meeting will be held in Santiago, Chile, on the occasion of the participation of a Argentine delegation in FISA 82--the Santiago International Federation.

Asked about the importance of this meeting, Patricio Lopez stated the following:

[Begin recording] [Lopez] I believe that this has been evidence of the willingness of the business sectors of the two countries to meet, to analyze trade and to seek to increase this trade even further. The trade between Argentina and Chile amounted to \$400 million last year. However, taking into account the Chilean and Argentine potential, we might increase this trade to \$600 million.

[Announcer] This year?

[Lopez] No, not this year. I am speaking of a figure that might be reached in the future. This year we are experiencing the effects of a world recession which has caused the earnings obtained from the bilateral exchange to be less than that obtained in the past.

[Announcer] Mr Patricio Lopez, do you believe that Argentina will be able to sell 1.3 million tons of wheat to Chile, and have any negotiations been already conducted in this regard?

[Lopez] As you know, trade is being carried out by agents of the private sector. For this reason, we are interested in the private sectors of the two countries meeting to discuss the possibility of increasing trade. Wheat is included within this trade, and it obviously is one of the most important products exchanged between the two countries.

[Announcer] Mr Moya, what other products might be included within the bilateral exchange?

[Moya] Above all, Argentina might export manufactured products in general to Chile. This might include parts for cars, and services. Chile might export to Argentina lumber, as it has always done, copper and copper products. [end recording]

These statements were made by Patricio Lopez and Miguel Moya, the Chilean representatives who participated in a seminar on trade between Argentina and Chile held in Mendoza.

CSO: 3010/2105

BRIEFS

NICARAGUA ON SAN ANDRES--Rafael Cordova Rivas, member of Nicaragua's Junta of the Government of National Reconstruction, has said that his government will not use the armed forces to seize San Andres Island. He noted that the only channels that will be used will be the diplomatic channels. Cordova Rivas, the conservative party's representative on the junta, refused to comment on accusations made by former Sandinist leader Eden Pastora and described Pastora as a friend of struggles and conquests. Referring to the new Colombian president, Cordova Rivas said that his country expects improved relations. Cordova Rivas did not say his government's claim over the keys and the archipelago had a better future. The Nicaraguan representative to Betancur's inauguration reported the presence in Nicaragua of an increased number of people who come from the United States. He said that these people have been trained to fight the current government. In conclusion, Cordova Rivas defended the administration of the current junta, noting that the Nicaraguan's standard of living and the country's 1982 budget, which involves 10 billion colones [currency as heard], clearly proves his assertions. [Text] [PA071936 Bogota Cadena Radial Super in Spanish 1730 GMT 7 Aug 82]

VENEZUELA, MEXICO OIL AGREEMENT--Caracas, 4 Aug (EFE)--It was reported here today that Venezuela and Mexico have extended the agreement on energy cooperation for Central America and the Caribbean for another year. The agreement, signed in 1980 by Mexican President Jose Lopez Portillo and Venezuelan President Luis Herrera Campins, guarantees the supply of up to 160,000 barrels of crude daily. This amount must be shared between the two countries for all the nations in the area, and is financed at a 4-percent annual interest rate over a 5-year period. The agreement also includes the possibility of extending this financing for up to 20 years. The countries that benefit from the agreement are Nicaragua, El Salvador, Honduras, Guatemala, Costa Rica, Panama, Dominican Republic, Jamaica and Barbados. [Text] [PA051920 Madrid EFE in Spanish 1455 GMT 4 Aug 82]

CSO: 3010/2121

NEW AMBASSADOR TO UN ON MISSION

PY132215 Buenos Aires TELAM in Spanish 1230 GMT 13 Aug 82

[Text] Buenos Aires, 13 Aug (TELAM)--Dr Carlos Muniz, the new Argentine ambassador to the United Nations, stated last night that his mission at the United Nations consists of "continuing to work in pursuit of a national objective which is shared by all the Argentine people, that is, to achieve recognition of our sovereignty over the Malvinas Islands as a definitive solution." Moreover, Muniz remarked that pursuing this objective is a commitment and a duty, on account of the sacrifice our fellow countrymen have made in the South Atlantic war.

In statements Muniz made at the Ezeiza airport shortly before leaving for New York, he said that the situation has changed after the Malvinas war, and that there are concrete examples of how differently world opinion is now thinking in this regard. For this reason, Great Britain must perceive this change, and it must act in a different way.

On indicating that we must negotiate, he said that the United Kingdom "must understand that negotiating is inevitable."

Muniz added that the recent incidents whereby British warships have intercepted Argentine fishing boats in Argentine territorial water, shows the British Government that no final solution can be achieved under the circumstances that remain in the region after the war.

Doctor Muniz also said that the Malvinas issue will be one of the main subjects that will be discussed at the next UN round of meetings. He added that the Mexican Government has drawn up a draft resolution urging the parties to negotiate.

On stating that that Mexican proposal is being supported by all the Latin American governments, Muniz said that the preamble to the draft resolution clearly stipulates that the measures which are adopted must be in keeping with the former General Assembly and Security Council resolutions. As we know, Muniz remarked, one of the resolutions clearly stipulates that negotiations entail a sovereignty issue, and the other resolution deals with decolonization. These two resolutions both entail very important interrelated subjects for consolidating sovereignty over the islands.

When reminding Muniz that it is precisely Great Britain that persists in disregarding the UN resolutions, the Argentine diplomat said that the problem created for us was precisely because of this obstinacy, and the lack of understanding and disregard for the UN resolutions.

Dr Muniz said that we must negotiate and that Great Britain must understand that negotiating is inevitable.

On referring to his new diplomatic mission, Muniz remarked that I am going with the intention of seriously working to implement this process [recognition of Argentine sovereignty over the Malvinas Islands]. This is a perfectly defined Argentine right which must be pursued by all of us who are working on this subject. Muniz concluded by saying that that task is a commitment and a duty, because many Argentines died and others are suffering the consequences of the war. We must respond to the sacrifice our fellow countrymen have made.

CSO: 3010/2124

BRIEFS

UNION WITHDRAWAL FROM PRICE AGREEMENT--[DYN-NA]--The Argentine Industrial Union (UIA), which withdrew its support from the government's price agreement plan on Friday, said yesterday that it has "no intention whatsoever of destabilizing the government." The statement by UIA President Jacques Hirsch came after a top government economic official criticized the powerful business association's decision to leave the matter of price agreements "up to the discretion of each company." The official, who declined to be named, said he believed that the UIA move was motivated by those who consider the democratization process "secondary and like to see a different political solution." Hirsch denied these charges, saying his organization's decision not to go along with the government's antiinflation measure was sparked by the fact that "they changed the guidelines agreed upon." He said the UIA disagreed with resolution 58 of the Commerce Secretariat, which obliges companies to use the lowest of two possible bases to adjust their prices. In a note to Commerce Secretary Alberto Fraguio, the UIA claimed that this measures "makes planning and the rational management of a company impossible." Hirsch said that "the UIA's decision is based on a purely economic question and has nothing to do with politics." He added that the UIA more "is not important enough to suggest that we are trying to destabilize the government." [Text] [PY152200 Buenos Aires BUENOS AIRES HERALD in English 15 Aug 82 p 13]

CSO: 3020/161

FINANCE MINISTER ASSESSES TRANSPORT PROBLEMS

PY111541 La Paz Radio Illimani Network in Spanish 1100 GMT 11 Aug 82

[Excerpts] Finance Minister Alfonso Revollo stated yesterday that there will be no makeshift solutions to the national transportation problem, but that they will be included in the economic emergency plan to be implemented by the government very soon.

The country's autotransport system, which yesterday completed 7 days of strike, demands that more attention be given to the economic problems that this business sector is undergoing, and which is causing great concern to the citizens. Journalists, therefore, consulted the finance minister on the solutions to be given to this conflict.

[Begin Revollo recording] First of all, the transportation problem must be solved within the economic emergency plan and I cannot give a makeshift solution to this problem as sought by the drivers and owners.

I feel that the situation that is currently afflicting the country is serious, however, we cannot deal with each sector's problems unilaterally, but rather in an overall manner. I regret that the transporters did not accept our call for a 30- or 40-day truce which would have given us time to discuss the economic emergency plan. We are all aware of the difficult situation the country is enduring, not only in the economy, but as I said before, in morale as well. But we cannot negotiate under pressure. The government of His Excellency does not accept this kind of pressure, and consequently, the transportation problem will be treated within the country's economic policy. [end recording]

Asked about the increase in public foreign debt during the past decade, 1970-1981, the finance minister stated:

[Begin Revollo recording] The public foreign debt has increased and will continue to increase primarily because of our disastrous economy. As you well know, some wage increases that were granted have caused even greater problems for the public debt. [end recording]

CSO: 3010/2105

COLUMNIST COMMENTS ON 'POLITICAL QUESTION' OF BALLOT

PY130352 Rio de Janeiro JORNAL DO BRASIL in Portuguese 10 Aug 82 p 11

["Political Things" column by Luiz Orlando Carneiro: "Struggle for Space Through the Ballot Form"]

[Excerpts] The not yet closed episode of defining the format of the election ballot has been transformed into a political question beyond any previous calculation. On the one hand, the government was awakened on time by deputies who are concerned about the habits and education level of the electorate in the country's interior where the PDS [Social Democratic Party] expects to garner a substantial number of votes in the November elections. On the other hand, the judiciary branch decided to demonstrate that it is conscious and zealous of its prerogatives and areas within its competence wherein lies the electoral process from its inception to its control.

Less than a month ago, the political ministers of the government were inclined to leave it up to the electoral court to decide on the ballot form to be used by the electors in accordance with the electoral code and Article 6 of Law Number 7015 passed last July stipulating that "the electoral court will adopt measures regarding voting procedures." The PDS leadership also did not see much of a problem in the choice of the ballot model, trusting the judgment of the electoral court and considering that a decision by the judiciary branch--pursuant to stipulations of Law Number 7015--would dispel any suspicion about another self-serving manipulation by the government.

Everything changed last week after deputy Bonifacio Jose de Andrada (PDS from Minas Gerais)--author of the proposal which was basically adopted as a proposal in the government's interest--met with civilian cabinet chief Leitao de Abreu, whereupon the president of the Chamber of Deputies, Deputy Nelson Marchezan of the PDS, was charged with coordinating the proposal on a priority basis.

There is no denying that the ballot format which the government and the PDS prefer can be more beneficial to their interest than the model unexpectedly approved by the Superior Electoral Court [TSE] last Thursday, to Planalto's surprise. The more practical-minded PDS deputies believe that the TSE ballot model gives much importance to party labels, contrary to the one chosen by

the government which omits such labels on the ground that, under current legislation, the parties can only be accredited with notes through their being cast on the candidates. It is no mystery that the PDS is interested in not exhibiting its label too openly, while the Brazilian Democratic Mobilization Party [PMDB] is adopting the campaign tactic of using its label to attract the large mass of voters who are not happy with the government's performance.

Furthermore, the pro-government deputies who know the people in the interior better consider that it will be easier for the average voter in their districts to write the name or the number of the candidates and then to copy them on the more traditional ballot form. This should indeed be easier than finding names of candidates on a ballot bearing the names of candidates for governor, senator and mayor under five columns in the format approved by the TSE. In short, the PDS deputies believe that the TSE ballot is more suitable for electors of the middle and upper classes who reside in urban centers.

It became clear from this episode that the government will vie with the opposition inch by inch for any possible advantage in the pre-electoral battle, no matter how minor it may seem. If the skirmish over the ballot format suddenly became all important, it should be expected that Planalto Palace will act more decisively in the next one, namely: free radio and television campaigning time. In turn, it is also clear that the judiciary branch--which in the case of the Popular Party--[PP] incorporation into the PMDB reversed the expectation of the executive branch--showed once more to the radicals in the opposition that casting doubts about its independence is an offense.

CSO: 3001/217

BRIEFS

FONSECA HEADS ANTARCTIC SEMINAR--Navy Minister Maximiano da Fonseca will be the honorary chairman of a seminar on the Antarctic to be organized by the Oceanographic Institute of Sao Paulo University from 30 August to 3 September. The seminar, an initiative of the Interministerial Commission for Sea Resources, is sponsored by the National Scientific and Technological Development Council [CNPQ]. According to (Plinio Soares), director of the Oceanographic Institute, the purpose of the seminar is to discuss and evaluate, together with foreign specialists, the plans and research work of the Brazilian Antarctic program and to identify and confirm the opportunities Brazilian scientists have for participating in international research programs. [Text] [PY140246 Brasilia Domestic Service in Portuguese 2200 GMT 13 Aug 82]

ARM SALES TO INCREASE--The record established by Brazil in the export of arms last year--\$1 billion--will be easily exceeded this year, according to predictions made by military specialists based on orders already received by the companies of this sector, mainly Engesa and Imbel. The government is studying several measures to reduce the bureaucracy in the system for exporting arms by making changes in the national plan of exports of material for military use, a secret document known by the acronym of pnemen. Currently an order for arms as well as the negotiations for their sale must go through seven organizations, a situation which makes it difficult for the country to compete in the international market. The Middle East continues to lead in the importation of Brazilian arms, but the Brazilian goal is to increase its sales to Africa, South America and Asia. [Excerpt] [PY142021 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Aug 82 p 6]

CSO: 3001/217

TRANSFERS OF TOP-RANKING OFFICERS

PA112129 Bogota Domestic Service in Spanish 2330 GMT 10 Aug 82

[Text] Bogota--The government has decided to transfer several generals and other top-ranking officers effective today, according to Decree 2359.

The following transfers were announced in compliance with these instructions:

General Jose Gonzalo Forero was transferred from the armed forces general command headquarters to army headquarters;

Major General Miguel Francisco Vega Uribe from the army command headquarters to the armed forces general headquarters;

Major General Rafael Obdulio Forero Moreno from the superior war school to the army general command headquarters, as deputy commander and chief of staff for the army;

Vice Admiral Tito Garcia Motta from the national navy general headquarters to the armed forces general command headquarters, as inspector general for the armed forces;

Major General Jose Leal Barrera from the armed forces general headquarters to the army general command headquarters, as inspector general for the army;

Brigadier General Manuel Guerrero Paz from the 3d Army Brigade headquarters to the superior war school, as its director; and

Brigadier General Jesus Jamasait Yusef Arias from the armed forces general command headquarters to the 3d Army Brigade's general headquarters, as commander.

Major General Augusto Ignacio Moreno Guerrero was appointed deputy commander and chief of staff for the air force.

The decree for the transfers and changes among officers and generals of the armed forces was signed by President Belisario Betancur and Defense Minister Gen Fernando Landazabal.

CSO: 3010/2115

BRIEFS

TRADE AGREEMENT WITH USSR--Bogota, 23 Jul (EFE)--Colombia and the Soviet Union today signed an agreement whereby Colombia will supply 5,000 tons of coffee over the next 2 years in exchange for 125 buses for the Bogota urban transportation system. The agreement was signed between Soviet representatives and Jorge Cardenas Gutierrez, deputy manager of the National Federation of Coffee Growers, and Hernando Duran Dussan, mayor of Bogota, representing the public services enterprise. The agreement permits Colombia to sell the coffee on the Soviet market for \$10 million. The government transportation company will be able [to] purchase the 125 electric buses with payment over a 10-year period. [PA261209 Madrid EFE in Spanish 1933 GMT 23 Jul 82 PA]

CSO: 3010/2115

OFFICIAL EMPHASIZES BENEFITS OF CEMA MEMBERSHIP

Havana GRANMA in Spanish 12 Jul 82 p 5

[Article by Rogelio Montenegro Guasp, permanent secretary for CEMA affairs]

[Text] Ten years of economic life is an extraordinarily short period so far as achieving specific objectives is concerned. However, it is already possible to show encouraging results 10 years after Cuba joined CEMA.

Our membership in that council was set by elements inherent to our history, culture, and stage of development. Thus, as the commander in chief has said, "Cuba joins the organization in its threefold status as a socialist country, an underdeveloped country and a country inscribed in the revolutionary history, tradition and hopes of Latin America." Under such conditions, Cuba's real incorporation in the economic integration process led by CEMA has been unique.

During the initial years of work, this country, and the cadres responsible for participation in the council, had to master the organization's complex mechanisms which, as we know, respond above all to the degree of development of its founding members. Hard work was necessary to join in this participation which requires a certain professionalism. This is being achieved in such a manner that now, and for several years, our country has participated in CEMA's work with a mastery of multilateral cooperation mechanisms.

Naturally, the aforementioned has required the technical and professional improvement of cadres, and this undoubtedly is a very specific advantage we have gained from our membership in the socialist community's economic organization.

At the same time, and according to a basic principle of CEMA's platform--the Complex Program--regarding the lesser-developed member countries, it has been unanimously recognized that Cuba should be granted preferential conditions. Such treatment was granted theoretically in 1976 and now is being implemented gradually through various cooperation programs. As Comrade Carlos Rafael Rodriguez declared recently, this shows that our membership in the council "helps the developing countries of Asia, Africa and Latin America understand that the future is not found in the unequal relations of exploitation with the imperialist countries, for the future lies on a new type of relations, the ones established with members of the socialist community."

Thus, among other advantages of Cuba's integration in CEMA, this one is twofold: different and preferential treatment with regard to our development problem, and the perspective which this means for the other underdeveloped countries, and preferably for those which, as we did in our time, choose the path of socialism for their people.

In fact, over this brief 10-year period the benefits from this integration can be shown by pointing to Cuban development programs planned by CEMA. Their results already can be seen in guaranteed reliable markets, fair and stable prices, equipment supplies and long-term credits under favorable conditions. We refer to the development programs for the sugar, citrus and nickel industries. In addition to the aforementioned advantages, Cuba specializes in these industries within the context of the socialist community, thereby assuring the country's development without the harsh contingencies which dependency on capitalist markets would entail.

In addition to these programs that represent investments of hundreds of millions of pesos, CEMA makes it possible for us to turn to the socialist community for purchases of raw materials, equipment and so forth, that we previously acquired in the capitalist area. The scientific-technical cooperation we are developing within the framework of CEMA stands out as an indirect source of earnings for this country's economy, ranging from the favorable credits we obtain for accelerated development of national science and technology to the benefits gained from the many specialized scientific documentations that we obtain from member countries at no cost.

Furthermore, the method for mutual exchange of equipment, machinery and raw materials is established and the essential investments that the country must make are coordinated through participation in the coordination of plans, which is a basic element of the community's multilateral economic cooperation. As a result, Cuba's planned growth levels are essentially guaranteed for the Five-year Plan period, again without experiencing the boycott situations that the capitalist world imposes continuously.

We are not going into details about other advantages or about the prospects that exist from this integration. Even if we were to mention them briefly, they would show that from now on we not only have reliable delivery and supply markets and fair prices for our traditional products, but they also would point to Cuba's possible participation in the international socialist division of labor so far as machinery and equipment are concerned. This already can be seen in certain electronic equipment such as computer screens and in machine-building equipment for the sugar industry.

Joining CEMA does not mean receiving only; it means joining in the international socialist division of labor with the prerogatives that it implies for an underdeveloped country and in the duties involved because of its complexity and seriousness.

We are engaged in this as a meaningful interpretation of Fidel's statement: "We live in a world where integration has become the only possible alternative for any people who want material and scientific development and a worthy place in the future."

Today, 12 July, having reached the 10th year since we joined CEMA--the most stable and powerful international economic organization of the many that exist--we can declare that we are pleased to belong to the council and to share its achievements, problems and great purposes.

9925

CS0: 3010/2015

IMPORTANCE OF ECONOMIC POLICY NOTED

Havana TRABAJADORES in Spanish 12 Jul 82 p 2

[Unattributed article: "Popular Economics"]

[Text] Although policy is an expression of the economy and sometimes changing the order of two words does not alter their meaning, political economy is not the same as economic policy.

Marxist-Leninist political economy is the social science that integrates the theory and practice of the working class dealing with the study and establishment of principles on processes of production, distribution and exchange and consumption of products to build a communist society.

A planning system, economic budget, pay for work according to the quantity and quality each person contributes, democratic centralism, socialist emulation, harmony among productive forces and production relationships fall within the political economy of socialism.

Finance, costs, technical-material supplies, prices, standardization, state arbitration, wages, labor and statistics are subsystems of the Economic Management and Planning System.

With knowledge and mastery of the political economy, the PCC, which is the leading and highest force of the state and government, formulates its economic policy taking into account not only the strategic objective, but also the specific existing conditions. The objective of the Cuban party and state economic policy is to make our country an industrially developed economic power so as to perform its fundamental mission of fully satisfying the material and spiritual needs of the people.

The transformation of Cuba from an importing to an exporting country is imposed for this purpose. To this end, the principal emphasis is on development of the sugar industry and creation of an ironworking-metallurgical complex based on the nickel belt located in the country's northeastern region.

In keeping with this purpose, the plan is to expand and use to the maximum the productive capacity of existing factories and to create new ones, to find a solution to the manufacture of spare parts and accessories, and to increase the production of construction materials.

ANTIAIRCRAFT ARTILLERY UNIT ACTIVITIES NOTED

Havana VERDE OLIVO in Spanish 24 Jun 82 pp 38-41

[Article by Rolando Pujol, a collaboration of the DAAFAR newspaper SIEMPRE ALERTA]

[Text] Arnaldo Cabrera, interprovincial bus driver, raises the red signal flag and gives the order to load; Lazaro Dominguez, worker in a soft-drink factory, hands a thick and heavy artillery cartridge to Jose Luis Linares, railroad engineer, who carefully sets the fuse and places it on the tray. Conrado Saborit, heavy-equipment operator, loads it into the breech with a fast movement of his arms, while Miguel Jorin, stevedore at the port of Havana, concentrates all his attention on the sighting system, searching for the target that will soon appear; Luis Gonzalez, industrial installer, helps him to set the coordinates of the target, and Carlos Rivero, warehouseman, raises the steel barrel to bring it to bear on the shot trajectory...

Their occupations are diverse, but what brings them together and makes them feel that the activity they perform at this time in the Antiaircraft Defense and Revolutionary Air Force (DAARFAR) is their own, is the belief that raised the stature of the antiaircraft gunners of Playa Giron to huge proportions.

Weeks earlier, when they gathered before the impressive 100-mm piece, they did not know one another. At present, after sharing the efforts, tensions and sacrifices of the combat instruction and training, they act like a single individual.

What Are the Secrets?

Luis Gonzalez Lopez is the veteran of the group; veteran because of his age as well as the years he has served in the antiaircraft artillery reserve. Since he is talkative by nature, it is easy to strike up a conversation with him especially if the subject is his guns...

"This is a piece that will make your hair stand on end and your eardrums get tight when you first hear it thunder," Luis tells us with a knowing grin. "I, for example, jumped so high the first time I fired it that I got tangled in some ammunitions boxes and almost fell. Wow, what a noise the thing makes!"

The experienced comrades laughed, but they had to undergo the experience too...In time, and with all the training we have already had, I have come to the conclusion that the gun has four secrets that the artillerymen must learn, otherwise he is lost.

"The first, is that one must get the most out of the theoretical and the practical training; the second, is that there must be extremely good coordination among all the gunners, because if even one is not up to it, the effort of the others is wasted; the third, is to make haste, because the enemy is not going to wait for us; and the fourth, is to keep the piece like a jewel, no rust, well greased and clean..."

Those Who Seem to Be Out of the Plate

Because of its shape, the artillery emplacement resembles a soup plate. In the center is the steel tidbit, nothing delectable to the palate of pirates, and on the outside move the gunners, who add the seasoning.

Jose L. Linares is one of the combatants performing this important task. About it, he comments: "If anyone has to be on his toes out here, it is us. The gun has a fire cadence and effectiveness of the firing that depends on the performance of the gunners, because it is also up to us to set the fuses.

"At times, when the firing is done at will, we have to exert a considerable effort to keep the rate of fire, running here and there with the artillery cartridge on the shoulder and watchful that we do not come under the range of the shock wave of the blast...I always tell the comrades that this is the best post in the garrison, because one is always fighting idleness."

What All Gunners Want

Miguel Jorrin, stevedore at the port of Havana, is not very enthusiastic about interviews, however, whether because of our insistence or because we decided to put away the pen and notebook, the fact is that he finally talked and this is what he told us: "Look, we are here, as one says, getting ready for any eventuality. We do not want war, but we have dignity--we have always had it--and for that reason, we are not going to leave ourselves open to attack with impunity. We workers are made for sacrifice and work, and we fight even with our teeth when it is time to go into combat. If there is anything everyone here wants, it is to learn to handle these guns well, to hit the target as it should be hit, and to perform honorably for the party and Fidel..."

8414

CSO: 3010/1956

MILITARY FIELD REPAIR UNIT ACTIVITIES NOTED

Havana VERDE OLIVO in Spanish 24 Jun 82 pp 31-33

[Article by Jorge Luis Blanco]

[Text] Repair and removal units able to take care of the average damage sustained by the assorted combat vehicles are always deployed on the battlefield jointly with troops. The mobile shops and other means of support help to achieve this objective.

But the importance of these units does not hinge solely on the occurrence of combat actions. In their own permanent installations, the work does not cease for a moment in the effort to maintain and continually increase the combat readiness of the modern vehicles of the Revolutionary Armed Forces [FAR].

Upon arriving at a removal and repair unit, we become aware of the feeling that prevails in all the personnel: a top-notch repair job for all the vehicles coming into the shops.

"This is a very enthusiastic collective," Lt Col Marcelino Iglesias Martinez told us. "If you visit each area of the unit, you will realize that each man has a specific job which he performs skillfully and, above all, with great dedication. Each tank repaired is the best stimulant for them."

The unit has the shops and the equipment needed to tackle the complicated task of repairing combat and transportation vehicles. The personnel is also well trained, often because of their long years of experience in their specialty.

Civilian worker Clemente Sanchez, for example, has been soldiering for 17 years, 14 of them in this collective. He considers that his work is great because it forms part of the overall effort to repair the combat vehicles coming into our shops.

"Before joining the Revolutionary Armed Forces through the General Military Service," he points out, "I belonged to the Ernesto 'Che' Guevara Invading Brigade. I decided to reenlist for two reasons: because it was really here that I got my training as a welder, and I considered that I had a big obli-

obligation to all the comrades who helped me so much, and, at the same time, because of the need for qualified personnel to perform the tasks of repairing the combat and transportation vehicles."

Saving: A Vital Task

Jointly with the successful fulfillment of the production plan, there is in this unit a priority task of several years standing: the movement of rationalization and innovation which markedly provides solutions to more than a few problems that show up daily. For example, about 60 types of spare parts are produced in-house, which represents a saving for the national economy.

Civilian worker Alfredo Martinez is another one of the comrades assigned to these tasks. Besides the constant new ideas he comes up with, he has considerable experience as a mechanic-fitter. "The task of rationalization and innovation," he says, "is intended not only to save money for the country, but also to improve the working conditions of the personnel. We are working and will continue to work toward that goal."

Alfredo is very pleased when he recalls one of his first "serious" jobs, as he calls them. "It was," he recalls, "a valve-grinding machine. That work was done manually before then. A man would take 4 or 5 hours to grind 8 valves. Now, with that machine, it takes 5 or 6 minutes to do the same job, with the subsequent saving of energy and time."

At present, Alfredo is engrossed in the production of other devices, such as a tool holder for the lathes, a machine to make potato puree and another to open cans. "I feel useful when I undertake these tasks. And once I finish them, I am pleased to see how all the comrades judge their good qualities and defects, which undoubtedly helps to improve work considerably."

The rebuilding of parts is also part of the effort that these men exert to achieve a high degree of saving. At one place, we could appreciate the work that is being done in this connection: gearboxes, rear-axle assemblies, transmissions, compressors and other accessories which are restored after years of operation.

Constant Improvement

At the motor-repair, machinery, or any other department installed in this unit, one is aware of the qualifications of the comrades to undertake the restoration of the technical and combative capability of the vehicles that arrive here in quest of a "second wind."

There is a small study unit where mechanics specializing in electric batteries are trained. All the students here joined the General Military Service recently. We visited a class in which civilian worker Luis Martinez imparted his knowledge to those comrades. He explained the purpose of the test bench and the dynamic characteristics of the engine. Each one of the questions asked by his students was answered by him until it was made fully clear. "These young men are very interested in the subjects they are

taught," Luis says. "When they finish the course, they will be fully qualified to undertake the tasks assigned to them. And do a good job, too, which is what counts."

Not only does Luis Martinez work at this unit, he also studies mechanical engineering at the Jose Antonio Echeverria Higher Polytechnic Institute. "If we want the armored and transportation vehicles to be repaired on a timely basis and well," he says, "we have to improve continuously. This is the conclusion I have reached. Sometimes it is difficult to work and study at the same time, but one must make an effort to undertake these two activities with enthusiasm and dedication."

The Duty of All Revolutionaries

Living and working conditions have improved markedly since the holding of the First Party Congress. New quarters, recreational areas, hygienic mess halls, athletic fields and a theater are some of the results obtained in that sense.

"The Union of Young Communists [UJC], like the party" Lt Antonio Castello points out, "pays special attention to the improvement of the living and working conditions of all the personnel. In the past few months, a complementary workshop, the showerroom, the upholstery and the carpentry shops were built by self-effort. Our membership has always preached by doing, rallying behind them the rest of the young people to undertake these task which have such an impact on the state of mind of men."

This young officer attended the Second UJC Congress as a delegate. "There were many emotional moments in the course of the event," he recalls, "but what interested me most of all was the speech delivered by our Commander in Chief, Fidel Castro, at the closing ceremony, especially when he referred to the donation of vital organs because it constitutes a highly humanitarian act."

Lieutenant Castello told us that at a time when a group of officers received the decoration "For Service in the FAR," the unit held a concurrent ceremony in which 95 percent of the young men signed a book committing themselves to donate vital organs in case of sudden death. "Those who do not appear on the list," he explains, "were on leave, on inactive service or on detached service away from the unit, therefore we expect that all of them soon will be committed to this revolutionary duty."

The conversations we carry out with the members of this military collective are interrupted by the increasing sound of lathes, milling machines and other tools. The effort to get the most out of the workingday increases, seeking by it to meet the deadlines and to provide the quality required by the production plan.

At present, in peacetime, these men work in case the imperialist enemy makes war on us in the future. Then the tanks, the armored transports and the rest of the combat vehicles would advance in perfect working condition in quest of the victory that they guarantee.

MTT OFFICERS TRAINING SCHOOL IN HAVANA DESCRIBED

Havana GRANMA in Spanish 10 Jul 82 p 3

[Article by Diana Sosa]

[Text] A valuable contribution to the development of the Territorial Militia Troops [MTT] is being made by the MTT's provincial officers training school which operates at installations of the former Andre Voisin technological institute in Guines, Havana.

This military school had its first anniversary on 20 April. Considerable numbers of men and women from the two Havana provinces and the Isle of Youth special municipality have graduated from the school.

The training courses are for boarding students, Monday to Friday. Students receive training in many military specialties. They are developed physically and expand their political knowledge. The students graduate in the grade of sublieutenant.

Students now are being selected in the municipalities for the next course which should start in early September. The admission requirements are: at least 17 and not over 30, meet the appropriate physical and political conditions, and have a schooling level higher than the eighth grade.

Daily Activity

Daily work starts at 0600 with the morning schedule. The students listen to the radio program "Informacion Politica" [Political Information]. Thereafter, they meet by groups to start the theoretical and practical classes which last 6 hours. In the afternoon, they perform various tasks including individual political study and participation in sports. In their free time, they participate in artistic groups and other recreational activities. The students celebrate a collective birthday once a month.

The training course includes 30 hours of physical training. Men and women do a number of gymnastic exercises, self-defense exercises, and others.

Emulation inspections are conducted daily and each group chooses the vanguards. Monthly emulation inspections also are conducted and the best students are encouraged.

Col Jose Antonio Rodriguez, director of the school, told GRANMA that the students and instructors have participated effectively in developing the school facilities, which for the next course will be even better than for the current one.

He also commended the women who undergo the same training as the men. Although some of the exercises are difficult and some of the women have small children, success in their studies has not been affected. "We are quite satisfied," he said, "with the women who enthusiastically and firmly show their determination and ability to defend the revolution on all fields."

An atmosphere of comradeship, order, comaraderie and discipline prevails at the school. The workers, students, peasants and housewives being trained there are aware that a great spirit of self-denial and devotion to the revolution is required to be an officer in our MTT. They know that they are part of the pillars on which the security and peace of our people depend, and they make every effort to take maximum advantage of every minute of training, certain that once they graduate they will be able to perform successfully all combat missions they may be assigned.

9925

CSO: 3010/2015

DAMAS DECRIES VIOLENT SITUATION

PA160018 Paris AFP in Spanish 1921 GMT 15 Aug 82

[Text] San Salvador, 15 Aug (AFP)--Msgr Arturo Rivera Y Damas, acting archbishop of San Salvador, harshly criticized the Honduran Government today for having expressed approval of the dispatch of U.S. troops to Central America and the Caribbean area.

He noted that, though every country is sovereign, there are decisions that involve the destiny of peoples and that, "in the face of this, one cannot be indifferent."

The Salvadoran archbishop asked: "Why do our areas, already poor and worn down by domestic struggles, have to be the site of the warlike and hegemonic competition among the great powers?"

Referring to the possibility of war in the region, he added: "Is it that we have reached the point of admitting publicly that we are incapable of solving our internal problems without foreign intervention?"

Rivera Y Damas also charged that some towns and villages in his diocese of Santiago de Maria, Usulután Department, in eastern El Salvador, were occupied in recent weeks by guerrilla groups, which looted stores and captured and even killed some civilians.

The prelate said that this took place in San Francisco Javier and Nueva Granda, in Usulután Department; and in El Jicaro, Lolotique Municipality and Ciudad Barrios, in San Miguel Department.

Referring to the army's recent searches of various parts of the capital, he said that the use of such methods "is understandable, given the current circumstances," but he expressed opposition to the way that they are carried out, because they create nervousness and because "not even the Catholic churches are shown respect."

He called for a more humane treatment of prisoners of war, for the solution of crimes and for information as to the fate of individuals who are missing for political reasons.

He expressed regret at the still high number of victims of violence, stressing that the archbishop's legal protection office reported 32 captures and 80 murders in a 2-week period.

He also charged that these murders were committed with brutal sadism, as proven by the documents dealing with the examination of the bodies.

Rivera Y Damas reiterated the recent call for reconciliation issued by Pope John Paul II, as the pontiff was pointing out that the sole cause of the violence is, in fact, social injustice.

The prelate also said that violence, weapons and foreign intervention will not solve problems, criticizing both those who, "wielding weapons, think that they are going to build a more just system and those who, guided by the doctrine of national security, stage violent repression."

CSO: 3010/1251

BRIEFS

SPLIT DENIED--San Salvador, 11 Aug (ACAN-FEE)--The National Conciliation Party (PCN) executive committee said at a news conference today that there is no division in this party as a result of the political pact proposed by President Alvaro Magana. The leaders of the party, which governed El Salvador for more than 15 years until the 15 October 1979 coup, said that a recent statement by Deputy Maria Julia Castillo accusing important PCN leaders of having acted behind the back of the rank-and-file when they signed the pact was the result "of an incorrect interpretation on her part." They added that this is not true and that the PCN deputies knew about the document signed last week in the Salvadoran town of Apaneca long before it was signed. Castillo is one of these deputies. Hugo Carrillo, vice president of the Salvadoran constituent assembly and an important PCN leader, said that the pact represents an effort by the parties to achieve a unified government policy based on the points of agreement in each organization's political platform. The pact was signed by the Nationalist Republican Alliance, the Christian Democratic Party, the Salvadoran Popular Party and the PCN. [Text] [PA132330 Panama City ACAN in Spanish 0135 GMT 12 Aug 82]

CSO: 3010/1251

GUATEMALA BANK PRESIDENT VIEWS MONETARY SITUATION

Guatemala PRENSA LIBRE in Spanish 16 Jul 82 pp 4, 78

[Text] The president of the Bank of Guatemala and of the Monetary Board, Jorge Gonzalez del Valle, is an avowed opponent of any attempt to devalue the quetzal, according to statements he made yesterday during the luncheon meeting held by the Guatemala Chamber of Commerce [CCG].

Speaking at the invitation of the CCG, he said that the temporary nature of the emergency system (control over rates of exchange) established in 1965 should have been abolished. He added that a relative period of absolute convertibility then followed after which, in 1980, there was a new regulation "this time directly associated with movements of capital."

"The crisis was of such magnitude that in 1981 this restriction de facto still had a general character because of the appearance of 'la presa' (pressure of commercial obligations). Of course, this is a reflection of the economic crisis the country is experiencing.

"To some extent," he added, "Guatemala is a privileged country because of the fact that it did not have a monetary crisis as is happening in countries very close to us. To some extent, in Central America, Guatemala, until a few months ago, was an exception and continues to be one.

"The emergency system establishes regulations that are perhaps too rigid. The emergency system which the legislature of Guatemala is contemplating is a very complete system, with all the defects and difficulties inherent in it. Its application from October 1972 to March 1973 is the only time the total system was applied. The system envisions three exchange markets, three ways of intensifying the suspension of convertibility. These are: the official market, oriented toward making essential government payments, including payments of interest, dividends and imports.

"Thus the law contemplates a market operating at the single official rate of exchange. In general terms, it is a small market which the monetary authority can expand in accordance with reserve capabilities. The second market is the free market, which would become the equivalent of the parallel market.

"In this free market, the rest of the transactions, that is, those import transactions which are not considered essential, would be handled as payments that result in a flight of capital. However, imaginatively, the law contemplates a third, intermediate market, the competitive bidding market.

"A competitive bidding market has the purpose of preventing the monetary authority from keeping reserves in excess of what is prudent and to earmark any excess reserves, for example, from the official market, so that without the need for moving them to the free market they can be offered in competitive bidding thus establishing an intermediate exchange rate.

"Conceptually, it is an imaginative mechanism and would give the opportunity, for example, to those who import essential goods to resort to a market to obtain foreign currency at a price which is not necessarily the devaluated price, we assume, of the free market, although not that of the official market. In any event, there is an economic advantage in this to the degree that the market functions.

"According to the law, the requisites for the establishment of the emergency system have been present in the actual situation of Guatemala since 1981. However, there has been resistance by the monetary authorities to establish it. These are the reasons: in the first place, it is not difficult to set up a clear-cut system as the law contemplates. What is difficult is to be able to regulate it so that the communicating links among the three markets are kept in balance.

"We have already seen how in time of crisis that balance is lost; and the monetary authority would feel tempted to play with the free mechanism, which would be a greater devaluation than that originally planned.

"The second reason is that the establishment of this system would make it necessary to set up lists, which would result in administrative deficiency and an open invitation to corruption. The pressure groups would automatically begin to operate to have the product in which they are interested classified as an essential good and not one which falls within the framework of the free or competitive bidding markets.

"In this regard, I feel that in the hands of the monetary authority the establishment of the authority to set up lists in an arbitrary way is an invitation to economic dictatorship and exaggerated state intervention, to which I am definitely opposed; and the monetary authority, even though in passing, has agreed with me on that position.

"I also feel that the monetary authority has no reason to push continually for a buildup of reserves, as there is an economic constraint on reserves. Anything beyond the usual reserves, in my opinion, would be wasteful. Poor developing countries like Guatemala must use their reserves properly. There were periods during which Guatemala had reserves equal to 8 months of imports; and that is harmful to a poor country such as our own.

"Because of this, resistance to repeal of the emergency system as contemplated by the law has its reasons.

"If we want to maintain convertibility as a sufficiently healthy economic convenience, we must think about the clear-cut alternatives at our disposition: either the emergency system or the partial system which is still in force for the necessary number of months or quarters. Then, if there is an understanding on our part of what the problem is that Guatemala is experiencing in the economic, political and social sectors, I believe that we will be able to adopt a realistic approach with respect to what is best for the country."

He said that the management of rates of exchange is one alternative to convertibility. Convertibility is restricted to maintaining the exchange rate or, put another way, the exchange rate is modified and convertibility is preserved. Neighboring countries have experimented with the physical alternatives which are illustrated by textbooks in this field.

"The officialization of the parallel market could be a way out which would permit the understandably distressed Guatemalan importers to meet the obligations they are desirous of meeting with national currency. The way out, I repeat, is contained in the law, the emergency system applied in its totality is what is envisioned by the parallel markets.

"The reason I personally am opposed to experimenting with devaluation, whether it be a firm devaluation with a fixed percentage or fluctuation, or market parallelism, is because of the economic consequences which in my opinion devaluation would bring.

"If it is felt that devaluation is going to automatically produce an inflow of foreign exchange to satisfy needs, that is a serious mistake. Devaluation is not going to permit us to sell more coffee than our quota. And heaven help us if we decide to drop out of the international agreement to go it alone on the market. That would be disastrous, and those who export coffee are the ones most aware of this fact. The same thing would happen to all our traditional products."

Later, in brief comments on international matters, he said that Latin America now has a debt of not less than \$300 billion which is of such size that the International Bank would be unable to bear it, in the event there are additional failures like those which have occurred in Nicaragua, Costa Rica and to some degree in Honduras.

He also said that all foreign exchange taken in by the Guatemala Bank from exports is immediately transferred to pay for imports of goods and services. He added that during the first quarter of this year the bank took in \$463 million and authorized payments totaling \$471 million. That is, \$8 million had to be taken from the net reserves to pay the difference.

"In our foreign exchange collection program," he continued, "we find that between July and September we expect to take in only \$321 million and

forecast the payment of \$461 million, which tells us we will have a deficit or shortfall. In the last quarter, we expect to take in \$355 million compared with outlays of \$445 million. In summary, during the second half of 1982, we are programming authorized payments of \$230 million."

8143

CSO: 3010/2039

FINANCE MINISTER FIGUEROA ANALYZES ECONOMIC SITUATION

Guatemala DIARIO DE CENTRO AMERICA in Spanish 13 Jul 82 p 3

[Text] Dr Leonardo Figueroa Villate, minister of finance, analyzed aspects of our economy over the radio and television network.

The official was introduced by Gen Efraim Rios Montt, president of the republic, who said that in view of the interest in learning about economic problems, the government is desirous of maintaining the solvency of our economy; however, in order to do this, we must know where we are and what our plans are.

Dr Figueroa Villate said that at the time of the coup d'etat the country had a floating debt of 154 million quetzels, which was not paid during the 1981 fiscal year but was instead transferred to fiscal year 1983. He added that the economic crisis started to appear in 1979, with 1981 being the year in which the phenomenon was accentuated when the previous government made a series of commitments with a higher external entity.

The most serious aspect of this situation is the fact that the previous government did not take the care to contract credits or international bank financing whose rates of interest and terms were acceptable.

"Instead of doing this," he said, "we had to resort to the contracting of private loans whose interest rates were higher and whose terms were too short."

The official went on to mention the drop in market prices of traditional products such as coffee, sugar and cotton and said that the problem was aggravated by the suspension of credits by foreign entities.

He said that Guatemala's situation is extremely delicate, as measures had not been taken to confront the economic, political and social imbalance. He stated that when the 23 March change became effective, the necessary funds were not available to pay salaries; therefore, bonds had to be issued to cover the salaries of public employees.

With regard to the budget and revenues, he said that the projected budget already had a deficit of 130 million quetzels as of March 1982.

Unconstitutional Project

He also mentioned the project known as "Guatemalan Highway Development," which he labeled unconstitutional because the state was to be the guarantor of a corporation whose shareholders were foreigners.

Later he said that the contract which had been signed was for 1.6 billion quetzals and that with respect to costs of organization the incorporators and their companies had the legal authorization to secure foreign financing based on the government's guarantee and promissory note in the amount of 160 million quetzals; therefore, the present government is conducting investigations with a view to recovery of this sum of money which was practically embezzled.

Chulac

Next he talked about the current status of the Chulac hydroelectric power plant and said that the eight phases of which the project consists cost 1.5 billion quetzals, of which an agreement has been signed for the construction of only the first phase at a cost of 110 million quetzals.

He said that on the orders of the president of the republic, the project was halted; and the only thing being permitted is for the construction company to conclude the work contracted for.

After the required studies, if the conclusion is reached that there is a need for the project, the construction work will resume, but not until in 1991, he said.

Chixoy

As for the Chixoy hydroelectric power plant, the minister of finance said that it will cost 800 million quetzals, of which only 92 million quetzals remain to be paid, to which end loans of 30 million quetzals are being sought from the Central American Bank for Economic Integration and another for 53 million for the Mexican Oil Fund.

The project is expected to be operational in March 1983.

UNECPA

With regard to the Port of the Pacific, he said that the project will cost 220 million quetzals. Two-thirds of the project has been completed, and a new contract is to be signed for the remaining construction work.

The Poverty Situation

With respect to this subject, the official said that the problem that now exists in Guatemala is population growth, which is 3.8 percent annually compared with production growth.

He said that those above the poverty level make up 30 percent of the population, those at the poverty level, 30 percent and those below the poverty level, 40 percent of the country's total population.

The spread is greater in the rural area, where those above the poverty level constitute 17 percent, those at the poverty level, 23 percent and those below the poverty level, 51 percent of the total rural population.

He said that the Government of Guatemala has conducted a general mobilization to help the entire population, with priority for the neediest, to lift them out of the conditions in which they are now living.

Integrated Economic Council

Finally, the minister of finance reported that an Economic Council had been established, and that it is studying a series of measures of national interest, such as economic recovery through promotion of production sources, fiscal reform, improvement in the balance of payments and reactivation of the Central American Common Market.

8143

CSO: 3010/2039

COFFEE GROWERS COMPLAIN REGULATIONS 'UNFAIR'

Guatemala PRENSA LIBRE in Spanish 2 Jul 82 p 15

[Text] The Guatemalan coffee grower, who is restricted by the terms of the International Coffee Agreement to selling only 50 percent of his coffee production to traditional markets and who is subject to treasury assessments, pending credits and high production costs, earns no profit from the income he is obtaining from his coffee sales, according to Adolfo Boppel, vice president of the National Coffee Association [ANACAFE].

When he was interviewed about the meaning to the coffee-growing sector of the foreign revenue generated by coffee sales which according to recent ANACAFE reports totaled 273.2 billion quetzals in the first 3 months of the current coffee year, the official explained the various circumstances which rule out profits for the coffee grower.

He said that of the average price of 131.60 quetzals (FOB) paid for a quintal of cafe oro [gold coffee], the price at which it is sold abroad, the coffee grower has to pay an average direct tax of 16 quetzals, another indirect tax of 6 quetzals for the double stamp assessment and an average of 15 quetzals for miscellaneous expenses such as freight and general transport of the product.

All these payments amount to a deduction of at least 37 quetzals per quintal; therefore, the coffee grower receives an average of only 75 quetzals per quintal bag. If we take into account the fact that the production cost of a quintal bag of coffee ranges from 75 to 85 quetzals, we can then deduce that the coffee grower is barely breaking even.

In a related connection, Boppel said that nonquota coffee, which for the registered coffee grower represents half his production, can be sold only to nontraditional markets.

He emphasized that the coffee grower received only 80 quetzals (FOB) per quintal of cafe oro from which he has to deduct 45 quetzals for costs and stamps; therefore, the coffee grower receives 30 quetzals less than his production costs for each quintal of coffee.

"Under these circumstances," the vice president of ANACAFE said, "coffee exports represent a profit for the country in foreign exchange and treasury revenues this year estimated at 36.4 million quetzals.

"This is all well and good, of course; but I should note that in his current situation the Guatemalan coffee grower, on the other hand, has no income because what he receives is already committed to the payment of taxes, production costs, credit payments, warehouse fees for coffee held back, etc.; therefore, it should not be surprising that in spite of the fact it is producing revenues for the country, the coffee-growing sector is suffering from an unprecedented financial crisis."

8143

CSO: 3010/2039

BRIEFS

STATE OF SIEGE AFFECTS ECONOMY--Even though it was said that the imposition of a state of siege throughout the national territory would not interfere with the normal life of the country, trade and other economic activities are feeling the effects even more since the military coup of 23 March. Many merchants told our reporters that sales have declined considerably, as possible buyers are fearful and prefer to refrain from making purchases and are holding on to the little money they have for possible contingencies. In a related connection, an unusual flow of customers to supermarkets and other stores which sell articles of prime necessity has been noted. Yesterday, Friday, in a well-known supermarket, green vegetables and other articles of daily consumption were bought up in a few hours. Other sectors were fearful that during the night a series of indiscriminate searches might be conducted. "Although we have nothing to hide," one resident told us, "it is always scary to know that at night police or army personnel can show up to conduct a general search." On another subject, several persons said that it would be desirable for the government to issue a bank moratorium law, as the payment of many debts are behind schedule and due to the lack of funds it is impossible to pay them on the due dates, and thus debtors are liable to be taken into court. [Text] [Guatemala EL IMPARCIAL in Spanish 3 Jul 82 pp 1, 7] 8143

CSO: 3010/2039

PRESIDENT'S FREEDOM OF ACTION QUESTIONED

PA061444 Panama City YA in Spanish 5 Aug 82 p 14

["Mirror of the Times" column by Jose Manuel Faundes]

[Text] We have a horrible impression of statements made by the commander of the national guard with respect to the press, its freedom and its right to inform without restriction or interference. Even worse was the impression received when he referred to the possibility of appointing a committee, a junta or some other organization--as he let us surmise--devoted to revising, examining and evaluating everything that will be published in the newspapers. His warning contradicts constitutional principles, those of a constitution that was drafted by the very people forming the regime, principles which forbid censure and allow free expression.

This is a bad beginning for those who have explained the replacement of an arrogant, presumptuous, stubborn and constantly travelling president. Yet he was a president who--let us say it frankly and without eulogies--never dared suspend our newspapers, although deep inside he agreed with the vulgar and violent aggression against LA PRENSA, a local publication whose only enemies are found in the official spheres, in almost all of their institutions.

Unquestionably, the silencing of the press by instruction of the military must have had an unfavorable impact abroad, a bitter taste, especially in those countries where the freedom of expression is respected, revered, no matter how the press may choose to express itself.

We repeat: freedom of expression has received another hard blow during the 14 years that this regime--which was never anointed by popular vote--has been in existence.

/A president with freedom of action?/ [Phrase within slantlines boldface as published] We hope so, aside from the fact that, as we have repeatedly said, the current government is the product of a method to which the Panamanian people never agreed.

We question whether the new president has freedom of action because of the statement by the national guard commander, who pointed out that the

military would advise the president regarding changes in the public administration and, strangely enough, also regarding the suspension of the print media and on the way radio newscasts should be aired, forbidding people to express themselves by telephone and making them do so only in person, on the premises of the stations themselves.

What would happen if the president opposed the national guard's recommendations? And what if he were forced to pay heed to such recommendations but did not really put them into practice?

Will the president have freedom of action?

CSO: 3010/2108

'LA PRENSA' CRITICIZES NATIONAL GUARD COMMANDER

PA061623 Panama City LA PRENSA in Spanish 6 Aug 82 p 1

[Editorial: "Barracks, Power and Democracy"]

[Text] Overwhelmed by the weight of its vices and errors, the regime has found itself forced to publicly admit the validity of daily denunciations against the work of government officials. The instinct of self-preservation, rather than honest concern for the well-being of the republic, forced the general staff to sacrifice civil servants in the hope that the apparent changes will permit the national guard to remain unscathed as the only power source.

The Panamanian people, the opposition parties and LA PRENSA have provided enough reasons to justify a change and to reject the continuation of a worn-out process in an obvious state of decadence and decomposition. But instead of admitting the failure of the government system, the military has pushed it back to its darkest period, disregarding its own constitution by extensively and abusively interpreting Article 2.

At the same time that General Paredes was reiterating his call for peace, the country's daily papers were arbitrarily being closed and LA PRENSA was violently shut. So far, no civilian or military official has had the courage to take responsibility for giving this order, which is the explanation offered by the supreme court of justice for not making a pronouncement on an evident violation against freedom of expression and the inviolability of domicile. And no civilian or military official had enough courage to return our facilities to their legitimate owners, surely because they had advance knowledge of the sacking and destruction that we are publicly reporting today.

In line with the already traditional practice of blaming the victim to clear the culprit of any responsibility, General Paredes has publicly declared that the possibility of a "self-sabotage" aimed at discrediting the national guard could not be discarded. This unheard-of insinuation is refuted by the fact--admitted by the general himself--that LA PRENSA's facilities were under the "custody" of the national guard and that foreign newsmen, representatives of insurance companies as well as LA PRENSA employees, directors and shareholders, witnessed the condition

in which we found the equipment, the offices and the files. It is also significant that despite General Paredes' promise that an investigative committee would be immediately assigned to this case, we have yet to find out who is on the committee. Furthermore, no authority has been in LA PRENSA to see the damage or to investigate who caused it.

Only through the hard work of our technicians and the generous aid provided through direct telephone communication with the manufacturers of the equipment have we been able to reach our readers today, under very precarious technical conditions, but with the same goals and principles that have inspired our daily since its creation.

The problems that LA PRENSA faces today are insignificant compared with the very serious problems hovering over the future of the republic. While General Paredes was stressing the public power monopoly of the national guard--insisting that this monopoly would be maintained until 1984--the new president was pointing out the need for the guard to "slowly" return to its barracks so that the responsibilities of government and not simply administrative responsibilities, can be completely assumed by civilian officials.

We agree with the president. Neither the republic, democracy, nor the national guard, can gain anything by perpetuating an abuse-of-power system. In politics, as in every other field, civilization--as the etymology of the word indicates--is the result of civilian work, of the civic task carried out with the agreement and cooperation of the citizens. The road to democracy does not go through the barracks. Furthermore, it is neither the martial spirit nor the imposition of arms that can secure the necessary consensus to give institutional stability to the republic.

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MISSION OF TOURING PRD DELEGATION DISPUTED

PA091531 Panama City LA PRENSA in Spanish 9 Aug 82 p 1A

[The "As of Today" Column]

[Text] International news agencies have reported that a Panamanian diplomatic mission is currently on an extensive, and no doubt expensive, tour of several of the area's countries to render an official recount of the events involving Aristides Royo's resignation as president of the republic. It is interesting to note that the travelers, Berta Torrijos de Arosemena, Nils Castro, Marcel Salamin, Jose Blandon and Gerardo Gonzalez, all leaders of the Revolutionary Democratic Party, PRD, and all of well-known leftist tendencies, have obviously intruded into the diplomatic arena in an attempt to chart the course of Panama's international policy.

There has been no explanation to date as to who appointed the members of this special diplomatic mission and as to whether the expenses are being paid from public funds. The importance of the issue makes it imperative that President de la Espriella explain if in fact he delegated representation to this group of PRD politicians, to the point where they can make statements that bind Panama's foreign policy.

It must be remembered that those who are responsible for our international relations, in accordance with the constitution, are the president of the republic and the foreign minister. As far as we know, neither the PRD nor its leftist spokesmen have such authority.

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BRIEFS

ARIAS SUPPORTS NEW GOVERNMENT--The Authentic Panamenist Party, headed by Dr Arnulfo Arias Madrid, is closely observing the developments that have taken place in the country and has carefully listened to statements issued by the new head of the executive branch, who is known to be a responsible citizen and supporter of integrity. Therefore we must hope that the moral and social development and political and economic changes, whose goal is a true return to democracy, will take place. Every genuine advance toward those objectives will have our backing and is worth supporting. [Signed] Dr Arnulfo Arias Madrid. [Written statement by Dr Arnulfo Arias, former president of the republic and leader of the Authentic Panamenist Party] [Text] [Pa061404 Panama City YA in Spanish 4 Aug 82 p 1]

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COMMUNIST PARTY LEADER INTERVIEWED

AU152053 Budapest NEPSZABADSAG in Hungarian 13 Jul 82 p 3

[Interview with Jorge Del Prado, secretary general of the Peruvian Communist Party by Oszkar Fuzes in Hungary: "The Struggle of the Peruvian Left for National Interests; Discussion With Jorge Del Prado, secretary general of the Communist Party of Peru"; date not given]

[Text] Our newspaper's reporter discussed the domestic political situation in Peru and the activity of democratic and progressive forces with Jorge Del Prado, secretary general of the Communist Party of Peru, who paid a recent visit to our country at the MSZMP's invitation.

[Question] Since 1980, a middle-class government headed by President Belaunde Terry has been in power in Peru. The rightwing frequently claims that it has "restored democracy," as opposed to the military regime that ruled from 1968. However, the left, including the communists, regards government policy as antipopular, a trend that encroaches on rights of freedom. What justifies this view and what is your appraisal of the present domestic political situation on the whole?

[Answer] The explanation is simple. The present government is striving, under the guise of a formal democracy--although it frequently violates the rules of even that, to the detriment of the progressive forces and the trade unions--to annihilate all the achievements attained by the Peruvian people during the regime of the patriotic officers.

Between 1968 and 1975, major natural assets (oil and copper and iron mines) have been nationalized in our country. They are now again opening the door to North American monopolies and multinational corporations and restoring their rights of ownership and privileges, as well as those of Peruvian private capital linked to them. They are again releasing state enterprises to private ownership. They are endeavoring to restrict the social rights of the working people and their democratic opportunities at enterprises and in trade union activity.

Also, the government wants to undo the land reform. Under coercion, it is selling off the existing cooperatives among the members, while estates are being returned to Latifundia owners in other places. Thus, not only do they surrender the country's interests to the multinational concerns, but liquidate domestic social achievements as well. That is why we say that the government's policy is unpatriotic and antipopular.

However, the awareness and organization of the working people and popular forces has strengthened--mainly between 1968 and 1975, the first period of the military regime. On top of that, the grave economic situation (and even the government is obliged to admit the problems it causes) has made the people aware of the dangers of the rightist course. They now realize that the government is shifting the burdens stemming from serving foreign capital onto the working people. On the basis of all that, an increasingly strong popular resistance is developing against the rightist line.

[Question] The fact that the rightwing gained the upper hand in the elections was instrumental in the division of the left. What chances are there for collaboration among the progressive forces?

[Answer] The creation of the united left, in which several parties and organizations are gathered (our party is one of its main forces), reflects precisely that realization. However, it shows another important social process as well, a fact that increasingly broad masses comprehend: U.S. imperialism is the paramount enemy of our country. The base of the patriotic forces is growing stronger and stronger and agreement is also increasing on the need for an independent policy that serves the interests and autonomy of our country. The united left regards progressive social transformation as the guarantee for that, and, although there are differences in outlook and ideology among them, more and more of the opposition forces outside of it share this view. Thus, the popular base is expanding, and there are enough examples of that.

The groups that used to attack the military government--and us--from the "left" realize today that the disruption of unity has been grist to the mill of the rightwing. And although we continue our ideological disputes, they now cooperate with us. Although the APRA party, which represented an emphatically rightist social democratic trend at one time, is not inclined to pursue concerted action with the united left, its anti-imperialism has become more resolute and it levels sharp attacks on the government because of its "neoliberalist" economic policy. (It tried to cooperate with the government parties at one time.) Moreover, the strata of patriotic officers that strives for unity between the people and the armed forces, aspires to progress for our country and disagree with the pro-U.S. line, although it has been ousted from key positions, has not been liquidated. Their stance has been strengthened by the fact that Washington supported Great Britain in the South Atlantic conflict.

[Question] What are the political plans of the left, what program will it present to voters?

[Answer] One reason our mass base is strengthening is the fact that the left is offering a realistic alternative for remedying the country's grave problems. Politically, we are proposing the defense and consistent further development of progressive changes and the expansion of the social rights of the working people. Our economic program is intended to enhance the country's independence. That would also alleviate the consequences of the capitalist world economic crisis that are so unfavourable for us. Instead of what the government is doing (by raising more and more credits and giving free rein to speculation, it further limits the country's scope for maneuvering; indebtedness to meet the extravagant and selfish requirements of private capital increases the burdens of the deterioration of terms of trade), we are pressing for a protection of our own industry, a development of the domestic market and the utilization of our natural assets in our people's interest. Also, there are great possibilities in the development of mutually beneficial and fair economic relations--with the socialist countries. The joint action program of the left, whose elaboration is about to begin, is certain to promise significant results at the 1983 local elections surpassing those of the previous local elections. Developed into a joint action program, our political unity at that time could bring about a realistic power option for the left.

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BRIEFS

EASTERN FLIGHTS--Lima, 6 Aug (AFP)--Prime Minister Manuel Ulloa announced today that Peru will condition the authorization granted to the U.S. enterprise Eastern Airlines for operating in Peruvian territory to the facilities that the United States may grant to the Peruvian state-run airline Aeroperu. He explained that he fully disagrees with the U.S. decision not to allow Aeroperu to operate in New York, because agreements between countries should be based on reciprocity. In this case, he added, there has been no reciprocity. Ulloa said that the Peruvian Government has to condition the support and the authorizations granted to Eastern so that Aeroperu may survive and succeed as an enterprise and so that such authorizations do not hurt it. It was learned in Lima yesterday that the U.S. Civil Aeronautics Board has refused to let Aeroperu operate in New York on the grounds that this city is not included in the air transportation agreement signed by the two countries. Peru granted Eastern authorization to fly eight times a week to Lima. The number of flights was then raised to 14 on the grounds that Eastern, which replaced Braniff, had to be allowed to operate with the same frequency as Braniff did. [Text] [PY072045 Paris AFP in Spanish 2029 GMT 6 Aug 82]

'SHINING PATH' LEADERS CAPTURED--Lima, 6 Aug (TELAM)--The police reported today the capture of nine leaders of detachment D-2 of the Maoist group "The Shining Path," considered the best-trained unit of the organization and to which 80 percent of the attacks and several deaths are attributed in Ayacucho Department, Southeast of Lima. The police said that the political chief, Delfi Amesquita Cahuana alias Comrade Delfi, and the military chief, Wilfredo Alaya Arango alias Willy, are among those detained. According to the police report they were in charge of recruiting secondary school students and other minors after assessing their qualifications and character and then indoctrinating them in a wide range of terrorist activities. The police sources, who maintained secrecy about the operation that led to the largest number of losses to "The Shining Path" so far, said that various kinds of arms, ammunition, dynamite sticks and a large quantity of literature calling for armed struggle were found in the hands of the detained. Most of the other persons captured are students at San Cristobal University in Huamanga, Ayacucho Department, who confessed that they had participated in several attacks. One of the attacks was the occupation of a school in Ayacucho where they gathered the students together and gave them an indoctrination lecture. [Text] [PY072021 Buenos Aires TELAM in Spanish 2250 GMT 6 Aug 82]

TERRORISTS DESTROY UNIVERSITY COMPLEX--Lima, 6 Aug (AFP)--General Humberto Catter, chief of the civilian guards, stated here today that the police detained 11 of the 140 terrorists who attacked an experimental complex of the Ayacucho University, southeast of Lima on Tuesday. During the attack, the terrorists destroyed a cheese factory, a sanitary unit, veterinarian equipment, a germ plasma bank, a wine cellar and three tractors. In addition, they killed 100 cattle, some of which were prime stock. In addition to the loss of a number of research files accrued over the past 16 years, the damage has been officially estimated at 1,500 million soles (\$2,140,000). General Catter, who just returned from Ayacucho, said that not only were 11 terrorists captured, but that a great deal of test equipment was recovered. [Text] [PY070407 Paris AFP in Spanish 0129 GMT 7 Aug 82]

FISHERIES MINISTER TO U.S.--The minister of fisheries, [Rene Deustua], is leaving for the United States today to carry out negotiations with the IDB. He is planning to sign a \$50-million credit for improvements in the fishing sector. [Excerpt] [PY111617 Lima Radio Union in Spanish 1200 GMT 11 Aug 82]

SPANISH PRIME MINISTER VISITS--Prime Minister Manuel Ulloa has labeled the visit by Spanish Prime Minister Leopoldo Calvo-Sotelo as positive for Peruvian interests. In this regard, Prime Minister Manuel Ulloa said: [begin Ulloa recording] Spain has not only shown great interest in Latin America [words indistinct] given us very important credits which are in the process of being implemented. The possibility of another loan for 1983 was also discussed, including the possible participation of firms [words indistinct] for the development of some projects, the possibility of investments by Spanish private sectors and [passage indistinct]. [end recording] [Text] [PY111605 Lima Radio Union in Spanish 1200 GMT 11 Aug 82]

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